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# The Creative Industrial Park : Formation Path and Evolution Mechanism

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**Abstract:** This paper has built a three-stage assumption of creative industrial park on the base of evolutionary economics, which are the gather of units, the construction of interface and the development of network. The gather of units is a reflection of resource search, the construction of interface is a need of identity, and the development of network is a result of multi-dimensional expansion. In the three-stage evolution, the creative industrial park increases constantly their evolution level from the simple geographic gathered to the division and cooperation of labor, until the formation of novel systems. Then this paper analyzes the 798 creative industrial park using the three-stage assumption. This paper finds the main problem of 798's self-destructing after the low level development of the third stage is the exclusion of the commercial prosperity to the art production. Accordingly, the paper puts forward four modes of promoting the integration between art and commerce. At last, this paper argues the different characteristics of the creative industrial park from other industrial parks. On the angle of formation path, the essence of creative industries is integration of culture and economy, technology. On the angle of evolution mechanism, it reflects novel characteristic of unit, identity characteristic of interface, and co-creation characteristic of network.

**Keywords:** creative industrial park; formation path; evolution mechanism; integration of culture and economy, technology

**JEL Classification:** L8, B52

## Part 1: INTRODUCTION

Creative industrial park as a creative industry space carrier, rising accompanied with the development of creative industries. Creative industrial park has apparent feature of area choice. In the background of globalization, location selection of creative industrial park appeared two big trends which is concentration in big city and globalization spread (Scott, 2005). In foreign scholars' perspective who mainly study creative industry park from the aspect of location factor, creative industrial park tend to formed in the city or region having good environment, perfect public services, convenient transport, low barriers to entry and leisure function (Hutton, 2000; Howkins, 2001; Hartley, 2005; Doris et al, 2006; Keane, 2010). In case of complexity of creative industrial park, its production and development is affected by many factors, some Chinese scholars analyzed creative industrial park from a symbiotic perspective on the basis of the foreign research on the location factor. Such as Chen Q. (2006) researched on agglomeration effect among 18 creative industrial clusters in Shanghai using co-occurrence model, and pointed out that the closer the relationship among different clusters in a creative industrial park is, the better the agglomeration effect of creative industrial park is. However, as an emerging industry, the formation path and evolution mechanism of creative industrial district have not been researched deeply whether on the angle of location factor or on the angle of symbiosis

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factor. In this paper, we analyzed formation path and evolution mechanism of creative industrial park from the perspective of evolutionary economics(Nelson and Winter,1982; Doper,2005). Firstly, on the basis of generality of agglomeration, the paper puts forward a three-stage assumption of creative industrial park. Then taking Beijing 798 Creative Industry Park(798) as a example, the paper do some empirical research. After that, in the light of the characteristic which is "self-destructing" phenomenon revealing in 798 finding in general analysis, the paper do some discussing. Finally the paper considerates the different formation path and evolution mechanism of creative industrial park and general industrial park.

## Part 2:Three-stage assumption of creative industrial park

The formation of industrial clusters generally experienced a process which conclude geography concentration, gradual establishing contact and forming a stable system among enterprise (Weber, 1909; Ottaviano. 2002). Creative industry has special feature, but still has basic characteristics of industry. So from the industrial agglomeration of the general process, based on the evolutionary economics perspective, the paper puts forward a theory that formation of creative industry experiences three stage which is gathering of units, the construction of interface and the development of network. Among them, gathering of units reflects microcosmic individual, enterprise or organization who has entered and is about to enter the creative industrial park. The construction of interface reflects the relationship and the way of relating among microscopic units. Network development shows complex structure and spatial structure among microscopic units.

As shown in Figure 1, horizontal coordinates evolution stages which develops from gathering of units to the construction of interface and then to the development of network, longitudinal coordinates evolution degree of which discrimination is based on the study on symbiotic system of the Chinese and the foreign scholars (Boons,1997; Wang Z.,2007) and judged by two indicators which are level of information sharing among unite and consolidate degree of cooperation relationship. Among them, information sharing degree among units is expressed by extensive degree of information dissemination about knowledge and technology. The bigger extensive degree is, the higher information sharing

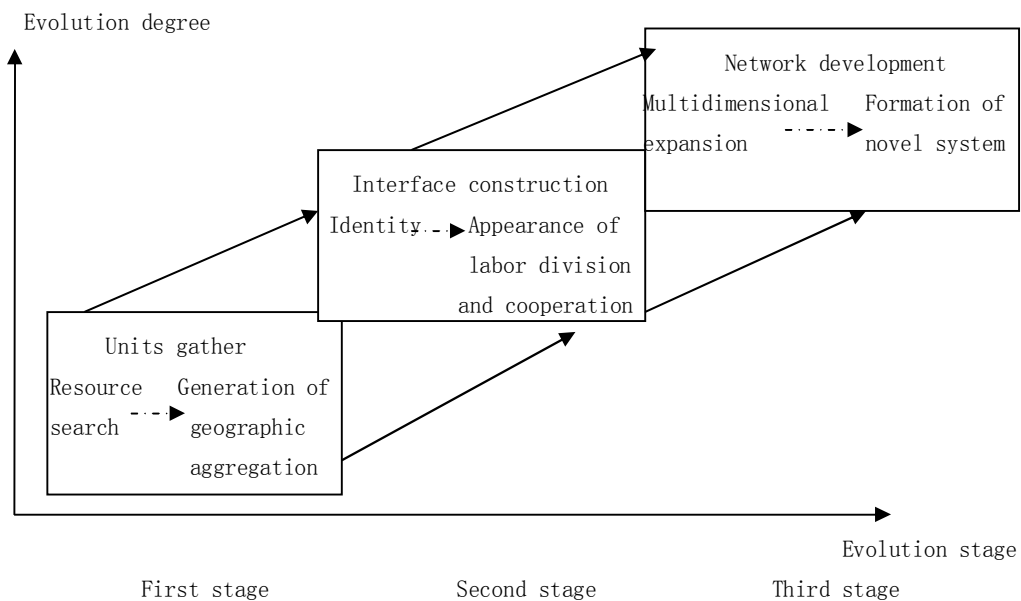


Figure 1 three-stage assumption of creative industrial district

degree is, the higher the degree of evolution is. consolidate degree of cooperation relationship is expressed by time of cooperation between microcosmic units and transaction frequency. The longer the time of cooperation is, the faster the transaction frequency is, the higher the consolidate degree of cooperation relationship is, the higher the degree of evolution is. In general, with the advancing of three stage orderly, the evolution level of creative industrial district is rising.

#### 1. Units gather

From the point of time, the phenomenon that micro elements centralized in area is similar enterprises, upper and lower enterprises, and auxiliary mechanism. As the labor of creative industry own greater degrees of freedom, consumers have more opportunities to participate in co-creation (Ross, 2009). According to that, as a characteristic of creative industry, generalized gather of units also includes consumer agglomeration and participation.

In this stage, target area attracts many microscopic units to enter mainly because of the existing of economic factors and identity factors. Economic factors of creative industry park mainly come from low cost and the external economic effect, which is familiar with that of general industrial park. Identity factor is related with specific characteristics of creative industry. The reason why identity attract micro unit is mainly that the value judgment on creative product is more uncertain than general goods (Potts,2011). So if the creative workers want to achieve creative products' value, they must make full use of all kinds of signal, such as identity which is an important signal, as much as possible to obtain its real or potential artistic value. After the entrance to creative industrial park,creative workers use the artistic atmosphere and orientation that will display their signal and identification. Identity in the induction of which micro units of creative industry can search for suitable location and agglomerate with the help of social network reflects the social attribute of creative industry development. In the first stage, the extensive spread of information like technology and knowledge is weak due to the short time of microscopic units' cooperation and low transaction frequency. So the level of information sharing and consolidate degree of cooperation relationship are low, the evolution level isn't high, and the unites mainly gather simply for geography reason.

#### 2. Interface construction

As the relationship of microscopic becomes more and more close, the way of unites' relation turns clearer and the construction of interface become more and more stable. At this time, the cooperation and communication of micro unites are in-depth, the level of information sharing and consolidate degree of cooperation relationship are strengthened, so evolution degree is generally improved, and the development of creative industrial park change from simple agglomeration to division of labor and cooperation.

In process of creative industry agglomeration, micro units' interface construction is actually a kind of identity construction. In the eyes of Akerlof and Kranton (2000), the identity function is dependent on individual behavior and relationship of other individual behavior. The identity function of creative industry microcosmic units is a kind of important utility function, so the relationship between micro elements and the way they relate, namely the construction of interface, are a kind of more outstanding expression of recognition and establishment of identity. As the interaction between microscopic increased, microscopic cells' identity is gradually clear, the identity of different interface becomes more balanced, and finally establish stable relationship of division of labor and cooperation. The construction mechanism of interface (or identity) includes formal and informal mechanisms. Formal mechanism is forming a long-term stable identity relation among micro units through a formal agreement or contract with other companies in the process of design, development, production, marketing and other things. Informal mechanism are informal or non contract identity relation among micro units which are forming in the long-term interaction based on common cultural background.

With the help of formal and informal mechanisms, units' interface in creative industry park is formed step by step and has different identity. Point type identity among units reflects that the relation

which is formed at random is very unstable and the risk of opportunism is huge. As the degree of interaction rise, the relation among micro units maybe turns to be intermittent type identity. At this time,the links which have been out of completely random is continuous and have intermittent stability, and identity formation has certain inevitability and selectivity. After that the further improvement of the degree of interaction will promote the microscopic units to establish long-term relations of cooperation. At the same time, the interface turns to the continuous type identity, links among units have inner necessity, stronger selectivity and higher stability, and the opportunism behavior of both sides is significantly reduced. When the micro units in creative industrial park have the need like forming a strategic alliance, they may be formed on integration of identity. Among these four kinds identities, continuous type identity is most ideal. Because on one hand point type and intermittent type means the larger market transaction cost, on the other hand integration does not meet the requirements of market development due to its bad influence on the innovation of microunit(Feng Delian ,2000).

### 3. Network development

Potts, Cunningham ,Hartley(2008)and others find that the essence of creative industry is social network market in which producers and consumers adapt to new concepts. According to that we see the development of network is an important symbol of the formation of creative industrial park. When the degree of various cell aggregation in creative industrial park grow into a certain extent, transaction frequency between units isn't only higher and higher and the way of the dissemination of information doesn't become more and more, but more unit also join the mutual dealings which makes information sharing and consolidate cooperation take chance in the broader and more abundant space. At this time, the unit identity expands multi-dimensionally and become consolidate as it changes from the simple linear relationship to the relationships of complex network and then form a complete social network full of novel ideas. In general, similar units that first make up creative industry agglomeration area are more likely to form competitive network. And then downstream units that include the join and co-cooperation of consumer units which have the characteristics of creative industries join, which makes supply and demand network show up gradually. And the setting of some auxiliary enterprises perfects complementary network. A creative network system typically include many types among which there are one or more that are the dominant or dominance and have the greatest influence on the evolution direction of creative industrial park network system.

In a word, from figure 1, each phase of the three-stage assumption of creative industrial park shows that the behaviors of microcosmic unit lead to symbiosis results of groups, that is the actions to meet micro units' own interests cause the changes of creative industrial park. In first stage, creative industrial park changes from individual resource search to the generation of groups' geographic aggregation. In second stage creative industrial park changes from cell identity to the appearance of groups' division and collaboration. In third stage, creative industrial park changes from individual multidimensional expansion to new groups' network system. The development of stages shows improvement in evolution degree of creative industrial park. For micro element, it experienced a process which include resource search, identity and the multi-dimensional expansion evolution in three stages. For the whole, with the widespread of information dissemination, longer time of cooperation and higher transaction frequency, symbiotic group changes from simple geographical aggregation and cooperation of division of labor to a novel network system with higher level of information sharing and higher consolidate degree of cooperation.

We should pay attention to a issue that in the analysis of economic evolution any hypothesis or model is a simplified and abstract description of the real world. So figure 1 is a simplified and abstract three stage analysis framework of formation of creative industrial park. Actually the process of creative industrial park does not mean end of phase and start of another according to three stage theory. What more common is that when a stage is still in progress the next has appeared. For example, in the first stage, some micro units having novel ability will build ID interface of the second stage gradually in interaction of informal mechanisms. ID interface construction could

promote cell aggregation in turn. At the same time, with the powerful micro units' exploration of network expansion interface construction will promote the third stage and make the novel symbiotic system be more perfect and stable.

### Part 3: Empirical research: take 798 creative industrial park as an example

798 creative industry park is located in Beijing City, Chaoyang District Dashanzi. Its predecessor is industrial sites builed in the early nineteen fifties with the help of the Soviet Union. It is Bauhaus architectural style. The park covers an area of 230,000 square meters. There are a lot of creative institutions like artist studio, the gallery, art exhibition space, fashion shop etc. Taking 798 as an representation is because 798 is an earlier-formed creative industrial park and develops better in China. Now we will analyze formation and evolution mechanism of 798 using three-stage assumption of creative industrial park.

1. The first stage: gather of units.

798 first appeared in 2000<sup>1</sup>. The reason why Artists and art institutions chose 798 is economic factor and capacity factor which attract them. These factors meet their demand for resources, which respectively attract market weak strength by adsorptive force and power strength by pulling force.

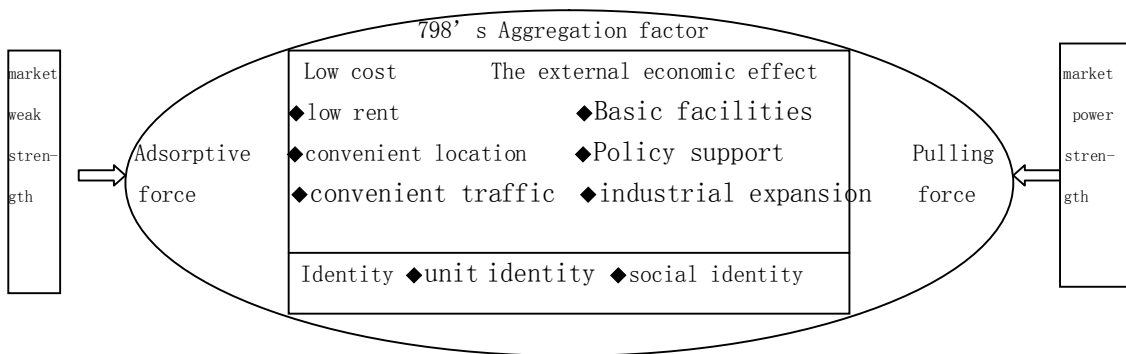


Figure 2 798's aggregation factor

1.1 Low cost. 798's unique Bauhaus architecture provides creative workers enough space to create. 798 has low rent cost because it is abandoned industrial site, which attract many fresh artists (market weak force). 798 is located in the suburb of Beijing city that belongs to the integration of urban and rural and has location advantage and low transaction cost. In early stage of 798's formation, low cost is main factor. Attraction of low cost make more artistic workers ("North" gens) gather in 798 constantly. Then 798 is full of artistic atmosphere gradually.

1.2 The external economic effect. Since 798 has been listed as the first batch of Beijing cultural and creative industrial park in 2006, 798 has got much support from Beijing City Hall. Annual special fund and infrastructure fund for the development of culture and creative industry arranged by government improve 798's infrastructure environment effectively. At the same time, as the first batch of Beijing culture and creative industry park, the government give much policy support in admittance and tax revenue. With the improvement of sharing hard environment and soft environment in the district, the scale of 798 has expanded constantly and the external economic has increased too. At this time, the external economic become main factor that attract market power (large

1. In this year, Sui Jianguo, the professor of Sculpture Department of China Central Academy of Fine Art, rent the first studio in 798. Following material and data of 798 refers to Kong (2009), etc.

well-known art institutions) instead of low cost.

1.3 Identity. As 798 has increasingly stronger artistic atmosphere and clearer orientation of art, more creative industry units go into 798. Identity factor comes from micro units' identification with 798 and society's identification with artistic groups in 798. Identity factor do not only reduces micro units' psychological cost to enter the district, but also improves the utility level entrants. In the early of 798's formation, the degree of units' cooperation is low, the spread of information like technology and knowledge is limited, and the degree of evolution is not high. But as economic factor and identity factor become more and more attractive, more and more micro units enter and their relationship become closer and closer, the park is pregnant with interface.

2.The second stage: the construction of interface.

The entrance of upper and downer enterprises like galleries and media organizations have promoted identity interaction of 798's units and the unit interface have began to appear since 2003. After 2006, with the number of the enterprise further increasing, especially like internationally well-kowned Arts Center and the creative mechanism, identity interaction among enterprises is more active, the sharing degree of units' information and consolidate degree of cooperation have been improved, cell identity becomes clearer, relations of division of labor and cooperation have gradually been formed, culture and economic spillover effect caused by the construction of interface appear gradually.

2.1 Interface mechanism. 798's formal mechanism of interface mechanism is mainly contract mechanism such as the interface between galleries and artists. In this formal mechanism, gallery acts "art dealers" the role of a bridge and serve for artists and collectors. Gallery signs with artists, agented of their works, through artist development program do exhibition, promotion, publishing and trading, thus realize the artist's identity and value. The gallery provides contract which stands for value for collector will also improve identity and value of collector.798's informal mechanisms of interface is noncontractual communication mechanism which is formed in units' nonmarket transaction and based on social identity. In the early days of interface formation, creative workers create during the day and they would give others a treat in turn and communicate after cleaning studios at night. Then the rising of various coffee shop, bar and restaurant provided more space for the construction of informal mechanisms. For the park which has cultural and creative characteristics, this kind of informal mechanism is more important than formal mechanism in the process of 798's formation. It promoted interaction of unit identity greatly and provided foundation for the formation of artists' identity. For the formation of creative industrial park, informal communication mechanism is assets that can't be copied and difficult to plan formally.

2.2 Unit identity characteristics. By the action of interface mechanism, unit identity varys with the rising degree of cooperation and relation. In the embryo period of 798, since creative class is the "liberal", communication is random, units identity is in a unconscious construction state and has the characteristic of point type. With more creative agencies gathering in 798, there came intermediary organizations and support institutions and the interaction of units increased. But at this time,identity between units is unstable, or rather the interaction between them doesn't form chronically in a certain way and it is mainly intermittent type. After that, with higher cooperation frequency and more information communication between units, continuous identity having stable characteristic and strong exclusiveness shows up between units which are complementary in 798. In the process of 798's formation, highly integrated identity is still relatively rare.

3.The third stage: the development of network.

With 798 listed as one of the first Beijing cultural and creative industry gathering area and under the stimulation of the 2008 Olympic Games in Beijing, the entrance of art institutions is in the climax, which greatly promoted the microscopic units' network expansion,making 798 have characteristic of

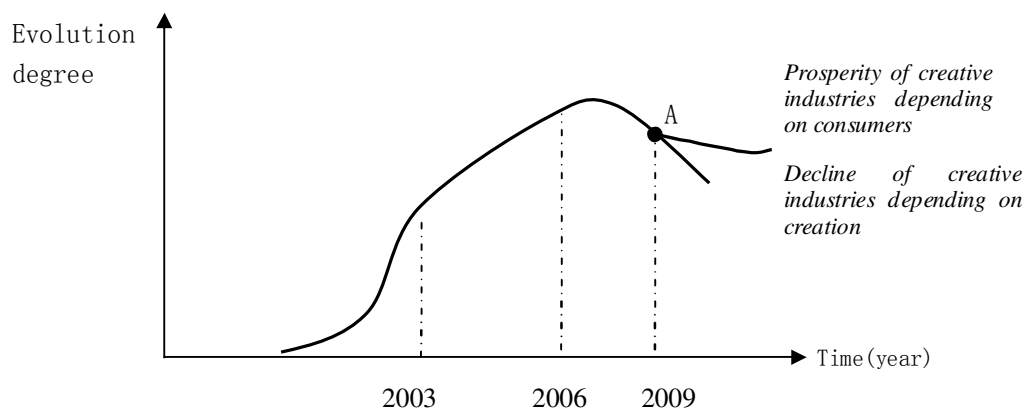


competitive, supply and demand and complementary network system. Such as, competitive network among Pace Gallery, Tokyo Art Projects, Temporal space with blank space, The Ullens Center for Contemporary Art, and Iberia Center for Contemporary Art. Supply and demand network between the galleries and brokers, brokers and artists. Complementary network between auxiliary units like cafe, bar, restaurant and the leading units like gallery, art center and so on. The reason why this hybrid network system is still in the initial and low level state in 798 is although there are some remarkable network expansion in 798, the linear identity between units is still the main body, the trust degree of upstream and downstream identity and relation in supply and demand are relatively weak, consumers' cooperative creation is notably absent. 798 has shown up the more and more powerful network characteristics that the degree of information sharing and consolidate degree of cooperative relationship, but it doesn't develop into a stable, self evolutionary and highly merged network system. This low level's network didn't develop further and failed to evolve. The Olympic Games didn't only bring a high time of moving into 798, but also brought rising rent and commercial atmosphere. Under the pressure of cost and commercial atmosphere's impact, more creative worker moved out from 798. The fission generated by this kind of unfavorable migration enormously impacted the sequential evolution of 798. Because in 798's ten-years evolutionary process, the art creators are undoubtedly the main units which are endogenous. Unfavorable migration of units first shook 798's long-term identity interface which takes art creators as core. Then the 798's identity interface fluctuate and adjust. The identity interface standing for consumer-oriented creative characteristics replace that formed in 798 already which stands for creative-oriented characteristics. The construction of a new identity interface have to experience a process of evolution and development. Then it is possible to support the following development of symbiosis network. From all above we can see that after huge fission of identity interface, from low level of network development in the third stage, 798 has already fall back to a post-interface period during which creative industrial park on the principle of consumer replace that on the principle of creation.

In a word, based on three-stage assumption of creative industrial park, we describe the 798's evolutionary path in figure 3. From the figure we can see that the first stage appeared in 2000, the second stage appeared in 2003 and the low level of the third stage appeared in 2006. But in 2009, because of the fission of interface, 798 was divided. As shown point A place in figure, from 2009, creative industries depending on consumers grow into prosperity and creative industries depending on creation are in decline. 798 came back to a post-interface period which has the characteristic of creative industries depending on consumers.

#### **Part 4: 798's further research of "self-destructing"**

Caves's study on New York art center in 2000 suggests that the spatial distribution of modern art market has a "self-destructing property". It's a life cycle evolution rule, that is "the start is art, the end is commerce", which is common in creative industrial park spontaneously formed in market economy. Since the 1980s, east district of New York experienced a self-destructing cycle in less than ten years.



**Figure 3 798 evolution path**

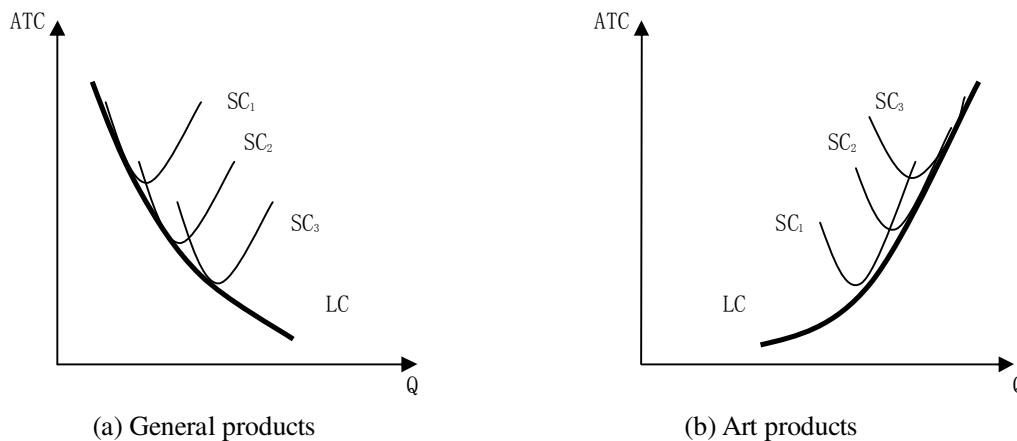
Also, after 798's 10 years' development, after experienced the gather of units, the construction of interface and low level of the network development, it turned into differentiation period of post-interface in "self-destructing" of interface fission.

1. Why business prosperity will push out art production?

Business prosperity has natural crowding out effect on art production traditionally. We will do some description using the long-term average production cost curve in figure 4. LC in figure 4 (a) means the long-term average production cost curve. LC's downward-sloping indicates that, with the rising of rent brought by business prosperity, average production cost of general products manufacturers will fall down because of economies of scale and technical progress. But for production of art works, traditional art products like oil painting, sculpture, are created by art workers individuals, so there are not cost saving coming from economies of scale or technical progress. So the rising of rent of land brought by business prosperity will inevitably lead to rising of the long-term average production costs of art products. LC in figure 4 (b) represents that with the yield increasing long-term average production cost of art products will ascend, which make the curve slante upward to the right. We can see that the development of art products brings up regional business prosperity, but business prosperity push out art producers on account of cost rising. So there is the life cycle of evolution that is "the start is art, the end is commerce".

2. Whether will business prosperity push out art production or not?

In the modern sense, business prosperity does not necessarily means to push out art production. There are two reasons. First, art fuses with economic and technical and develops gradually such as anime product design which is created by art workers using multimedia and software based on traditional culture, which is an important reason for the vigorous development of the creative economy and industry during recent 10 years. Its long-term average cost curve is just like curve in figure 4 (a) and its long-term average cost is lower general products'. Second, integration of art and commerce can be realized by organizational revolution. Actually, figure 4 (a) reflects the distribution of long-term average production cost in the case that production factors are without constrained. Once bottlenecks of the economy of scale and technological progress show up, long-term average production cost curve of general products will be like the curve in figure 4 (b). In this case, the



**Figure 4 Compare of long-term average production cost curve**

general products' long-term average cost is realized by organizational revolution. For instance, company's production department will be transferred to low cost area, and the research, development, and marketing department will be remained in business prosperity area, that is so-called headquarters and base mode. Another is the production of products that has high-tech content and high added value remained in business prosperity areas, the production of products that has low content of science and technology and low added value is transferred to low cost areas, that is so-called vertical separation mode. By parity of reasoning, under the trend of business prosperity, general products' organizational revolution pattern is useful in art products to achieve reasonable allocation between business prosperity and art production.

In particular, we can get four modes about integration of art and commerce in modern sense. First, technology integration mode. That is through the integration of art and modern technology, creative workers create the new production forms, new product forms and new service forms of traditional culture, which make modern art production also has economy scale and technology progress. Second, continuous integration mode. That is, through division of labor and cooperation of artist and entrepreneurs in strategic, continuous identity is formed, business creation of entrepreneurs will stimulate art marketization, cultural creation of artists will promote commercial artification, organic integration of art and economic will come true accordingly. Third, vertical integration mode. That is highly integrated development of identity from artists to art entrepreneurs make it possible to realize the integration of art and commerce. For example, directors belong to artists traditionally, if artists develop into large shareholders of film company like Huayi Brothers through capital operation, they will become art entrepreneurs. Thus it is better for co-prosperity of art and commerce in the organization and space terms. Fourth, local integration mode. There are two mode which are headquarters and base mode and vertical separation mode before-mentioned. Art products of high degree's integration of culture, economy and technology are arranged in business prosperity locals and art products of low degree's integration of culture, economy and technology are arranged in low cost locals to realize space separation and value integration of artistic creation and market promotion in different regions.

3. 798's main problem in post-interface period

798's main problem in post-interface period is that business prosperity crowd out art production. The reasons why there is "self-destructing" include some special ones which accelerate and exacerbate 798's "self-destructing" besides rise in the cost.

First, for micro units, we can see from process of 798's development that although the number of units in 798 increased rapidly, the identity interaction of units especially the network expansion of units is not enough obviously. The reason for that is the lack of units' pursue to fresh things, judgment, tolerance and innovation ability. That is to say the creative "destruction" of the organic integration of business and art is shortage of creative units.

Second, for interface, because of identity fission 798 goes to "self-destructing". In this case, formal and informal mechanisms for forming original identity aren't adjusted effectively and formal and informal mechanisms for forming new identity are incomplete, which increase risk of commercial and artistic differentiation. So we need to explore new identity realization mechanism in which art and commerce are integrate in post-interface. In addition, in the process of 798's formation, units' unreasonable distribution in the industrial chain makes industrial chain has breach, restricts units' deep cooperation and establishment of continuous integrative identity. A complete creative industry chain should include the original creation, creative products' production, exhibition, promotion, trading, spread, creative derivatives' development, production and operation (Yang Y., 2009). The shortage of 798's extensibility of creative industry chain has influence in depth of division of labor and cooperation, limits the further development of the network system and also hinders organic combination of business prosperity and art production.

Third, for network, in the case in which the supply and demand type industry chain is fragile, that is easy to lead to 798's malignant and repetitive competition. Auxiliary network consisting bars and coffee shop is lack of High-level support institutions such as financial intermediary, technology intermediary institutions, limits the 798's technical overflow and influences deepening of 798's network system. Although 798 attracts a mass of visitors, it doesn't have a platform reflecting consumers' cooperation creates. The low level's network system poor in complementarity during post-interface period goes against organic integration of business prosperity and artistic production as well as self-evolution.

#### 4. The optimization of 798

The essence of optimization of 798 during post-interface period is organic integration of commercial prosperity and art production.

Three-stage assumption of creative industrial park, we know that after experiencing differentiation of creative industry depending on creation and creative industry depending on consumption, 798 has been back to post-interface period. If we want to have a stable network system that has the ability of evolution and contributes to organic integration of business prosperity and artistic production, we need push 798 into higher level's network development stage. We notice that with more and more creative agencies moving out from 798 and placing the creation room to neighbouring area like Caochangdi, Zhongtie, Beigao, there are nine gathering area giving priority to original creation. According to business prosperity and art production local integration mode in "self-destructing" mentioned above, a feasible thinking in the strategic is to intergrate the 798's existing creative industry park and the surrounding creative industry parks which migrated from 798

and then build pan-798's stable network system. That is building a integration mode of pan-798 in which 798 give priority to consumption and surrounding of 798 give priority to original creation. Accordingly, in practice, we should promote organic penetration of art and commerce for existing micro units, interface and network system through all-round technological, continuous and integrative integration.

First, improve the creativity of the micro units. 798 shall establish access system, encourage micro units having strong innovation and drive ability, especially ones benefiting to combination of art, market and technology to move in. At the same time, we shall build strong creative atmosphere, encourage the pursuit and tolerance to new things, and cultivate creative body which could promote organic integration of business and art.

Second, build multilevel mechanisms of formation of identity interface. The establishment of formal and informal mechanisms which benefit to integration of art and commerce includes building of formal and informal mechanisms in 798 which depends on consumption and rebuilding of formal and informal mechanisms in nearby area of 798 which depends on creation. Above all, it also consists of formal and informal mechanisms' construction of organic connection between creative industrial park depending on consumption and creative industrial park depending on creation. So we should greatly encourage continuous type identity of cooperation and division of artist and the entrepreneur and integrative identity construction of artists to art entrepreneurs. Finally there will be interface contact mechanism between 798 and the neighborhood, which will promote the formation of extensive identity interface.

Third, promote the complementary development of the network system. Based on existing competitive network, the park should greatly cultivate complementary network and supply&demand type network that have strong complementarity and contribute to the formation of the novel system. To achieve that goal, we should make it clear that 798 and nearby area have different division of labor and position, promote the development of technical and financial creative industry chain greatly, promote stretch of consumers' cooperation chain, and make it possible to form a high level's pan-798 which has strong ability to extend the network and complementarity in business prosperity and artistic creation.

## **Part 5: The enlightenment of analysis to creative industrial park's formation path and evolution mechanism**

According to analysis above, the formation path and the evolution mechanism of creative industrial park are different from other industrial park.

In terms of formation path of creative industrial park, the first difference is that the creative industrial park is different from cultural industrial park. In formation process, cultural industrial park primarily acts of cultural overflow, and creative industrial park has economic overflow besides cultural overflow. As shown up in integration development pattern of art and commerce, the effect of technology on culture is becoming obvious and the creative industrial park's technology spillovers has become increasingly prominent. So if there is a static cultural landscape in culture industrial park, there is a dynamic landscape rich in culture, full of economic vigor, showing the modern technology

and having the novel characteristics in creative industrial park. Consumers are easy to be tired of static cultural landscape, but they will always be interested in dynamic landscape. This is the charm of creative industry which comes from, differ from and is beyond cultural industry.

The second difference is that the creative industrial park is different from the traditional manufacturing industrial park. Traditional manufacturing industrial park is characterized by economic overflow and technology overflow. Besides them, creative industrial park has cultural overflow that is more important. Consumers may visit manufacturing industrial park few times, but they will always go to creative industrial park with great interest and even join in creation. Their behaviors are not only economic preference and technology preference, but also cultural preference. Consumers don't only get economic utility and technology utility, but also cultural utility through their visit and participation. Meanwhile, they get pursuit and commitment of their potential cultural identity. So creative industrial park has irreplaceable important significance and unique features in social and national development. Creative industrial park and manufacturing industrial park have similar and complementary value in the spatial distribution of countries and regions.

The third difference is that the creative industrial park is organic integration of culture, economy and technology. Culture and economy experienced a process from separation to integration. At present, they are a new engine of leading economic development, and promote the economic confluent development in products, enterprise, industry and regional (Li H., et al, 2010). The creative industrial park is an important platform which contributes to economic confluent development in products, enterprise, industry and regional. The relationship between technology and culture also experienced a process from exclusion to integration. Now it is becoming an important driving force for cultural development. 3D technology, multimedia technology and software technology etc are being used in different cultural field. The creative industrial park provides important channels and platform for the integration of culture and technology. The organic integration of culture, economy and technology is the creative industry 's important and unique industrial features and creative industrial park's important and unique spatial characteristics .

In terms of evolutionary mechanism, the creative industrial park is significantly different from other industrial park.

The first difference is characteristic of units' novelty. In the creative industrial park, the way of economic and technological integration and value of cultural products or services reflect micro units' novelty. Essentially ,this novel feature may shows up the novel idea contemplated by creative units or the novel products made by creative units or creative units' novel behavior or the novel market exploited by creative units. Novelty becomes important power to the formation of creative industrial park. Creative units which are lack of novelty will lead to decline of creative industrial park.

The second difference is identity characteristics of interface. Identity constitutes the utility function of creative units, reflects identity relationship of creative interface, and it is unique and important asset-backed link for the formation of creative industrial park. That means in the construction of creative industrial park's interface,inevitably, there is tolerance atmosphere of encouraging identity formation which is good for rise of the creative class (Florida, 2002) and the intellectual property rights protection system to reduce the identity transaction cost which is good for balanced development of interface status. For creative units, even if they have novel ability, the losing

of identity recognition will lead novel thought spark to go out.

The third difference is cooperative creation characteristics of network. Compared with the general industrial park, the creation characteristic of creative industrial park has more emphasis on cooperative creation. So it has a more profound connotation. The cooperative creation not only consists of cooperative creation of competitive units, upstream and downstream units, leading units and auxiliary units, but also particular emphasis be placed on units' and consumers' cooperation to create, even cooperative creation of consumers, and by these cooperative creation to achieve no boundary evolution of creative industrial park. Cooperation creation is an important guarantee which is good for forming a novel network system which is stable and high level self-evolution.

The analysis above will help us to make effective policy.

First, the integration of creative industry gathering policy . The cultural industry gathering simply highlight culture and manufacturing conglomerate pays attention to the combination of economic and technology. The creative industry cluster highlights the organic integration of culture, economy, and technology that is the distinctive characteristics of the creative industrial gathering policy. On the contrary, if we apply policy of cultural industry cluster and manufacturing conglomerate to creative industry, we will mingle creative industry with cultural industry and manufacturing, and finally we will contort the development of creative industry.

Second, the toleration of the creative industry gathering policy. If micro units are lack of novelty and units' interface is lack of identity characteristics, there can not be energetic creative industry gathering space. On account of the asymmetry of the novel and the status uncertainty, creative industry will need inclusive development, which accordingly ask for tolerance of creative industry gathering policy. The tolerance of creative industry gathering policy gives expression to respect to cultural differences and reflects creative industry's internal characteristic which comes from cultural industry and differ from it.

Third, the openness of creative industry gathering policy. Because the creative industrial park is the result of cooperative evolution of numerous body, compared with manufacturing industrial park and cultural industrial park, creative industrial park has more blurry space boundary such as extensions of creative space, community space and learning space in Queensland creative mode. Therefore, creative industry cluster policy must be an open system to promote cultural, economic and technological integration landscape in novel thinking ability and creative ability.

## **Part 6: Conclusion**

In the perspective of evolutionary economics, this paper analyzes forming path and evolution mechanism of creative industry park. The research puts forward a three-stage assumption of creative industrial park, and applies it to the empirical analysis of 798. We think that after 798 experienced the gather of units in first stage, the construction of interface in second stage and low level's network development in third stage, creative workers' unfavorable migration lead to fission of identity interface, which makes 798 come back to post-interface construction period during which creative industry depending on consumer replaced creation. The study shows that the essence of 798's "self-destructing" which formed in post-interface period is that business prosperity pushes out art production. After analyzing the specific characteristic of "self-destructing", the paper puts forward

four modes in which art development fuses with commerce development. Based on all above, we further analyze the forming path, evolutionary mechanism and policy property of the creative industry park which are different from the general industrial cluster park. In perspective of formation path, the creative industry park gives expression to organic combination of culture economy and technology. In perspective of evolutionary mechanism, the creative industry park gives expression to the unit's novel features, the identity characteristics of interface, cooperative and creative characteristics of network. In perspective of policy property, the creative industry cluster policy shows integration, tolerance and openness. This paper is a preliminary exploration. In a follow-up study, we hope to make further comparison analysis to typical creative industry parks appearing in recent years.

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